

KLINER

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For your records, employees' stock purchase table. The following table shows the cost per share of K mart Corporation stock purchased by employees under the Employees' Stock Purchase Plan and the market value-per share on the date the stock was issued, adjusted for stock splits.

Date Issued	Original Cost	Adjusted Cost After Stock Split (*)	Market Value on Date Issued Adjusted for Stock Split
7-31-62	\$27.63	\$ 1.54	\$ 1.51
1-31-63	23.06	1.28	1.36
7-31-63	20.72	1.15	1.27
1-31-64	19.34	1.07	1.63
7-31-64	24.97	1.39	2.30
2-01-65	35.23	1.96	3.10
8-02-65	47.39	2.63	3.46
1-31-66	52.33	2.91	4.32
8-01-66	33.02	3.67	4.83
7-31-67	36.98	4.11	7.26
7-31-68	18.40	6.13	11.75
7-31-69	30.98	10.33	14.94
7-31-70	39.95	13.32	13.67
7-31-71	34.85	11.62	29.25
6-30-72	74.59	24.86	42.45
6-30-73	28.96	28.96	34.06
6-30-74	28.85	28.85	33.94
6-30-75	27.26	27.26	32.06
6-30-76	27.36	27.36	35.56
6-30-77	24.07	24.07	28.31
6-30-78	20.78	20.78	24.44
6-30-79	20.78	20.78	26.75
6-30-80	19.34	19.34	22.75
6-30-81	18.23	18.23	21.44
6-30-82	15.62	15.62	18.38

(*) Adjusted for the 2 for 1 stock split on May 28, 1966, the 3 for 1 stock split on June 30, 1968 and the 3 for 1 stock split on June 29, 1972.

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Sales for the four weeks ended April 28, 1983 were \$1,392,010,000, a 5.5% increase over the previous year's sales, which were \$1,319,199,000.

Chairman B. M. Fauber says, "Considering that U.S. weather was generally unfavorable last month and that Easter was earlier in 1983 than last year, the April sales appear to reflect continued consumer optimism. We believe the combined sales increase of 9.5% for March and April is indicative of the growing upward trend in the economy."

"We are also encouraged that consumers are responding well to our better-quality, higher-priced merchandise, especially in categories such as cameras, jewelry and major appliances."

Mr. Fauber adds, "April sales in comparable K mart stores rose 3.7%."

As of April 27, 1983 there were 2,384 stores compared with 2,387 on April 28, 1982.

May Store Openings		
Region	Location	Opening
E	7242 - Allentown, PA	May 26
M	7561 - Little Rock, AR	May 26
S	7382 - Hendersonville, NC	May 26
S	7911 - Corpus Christi, TX	May 19

Designer Depot:

An exciting venture, geared towards selling off-price, name brand designer apparel



Board Chairman B.M. Fauber, third from left, along with city council members, Clawson Mayor Brown and Store Manager James Evans and the rest of store management and employees, cut the ribbon, opening the doors of the second Designer Depot in Clawson, Michigan.

For the past three years, K mart has been watching how fast off-price stores have been growing. Without duplicating the store layout and merchandising strategy of a K mart store, the company realized that there was a growing need to provide the public with discounted apparel that was at the same time, first quality merchandise. No seconds, no irregulars.

As a test, a survey was taken of a seven and a half mile radius around the St. Clair Shores shopping mall in St. Clair Shores, Michigan to determine what the customer wanted in an off-price operation. The general findings included the need for sportswear,

preferably carrying designer labels. Also a market analysis was conducted before entering the off-price retailing field, showing that while price is a critical factor among traditional K mart customers, today's consumers want good value as well. And many equate quality with a brand name.

In addition, K mart found that the consumer of today is very bright, very knowledgeable. There are people who want a store with personal service and plush surroundings, but for many, the ability to purchase recognizable brand names at a lower price is the most important thing.

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